

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01557A
Lake Verde Water Company
PO Box 2777
Camp Verde, AZ 86322



RECEIVED
DEC 14 2009
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2008
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FOR COMMISSION USE

ANN 04	08
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PROCESSED BY:

12-15-09

SCANNED

COMPANY INFORMATION

Company Name (Business Name) LAKE VERDE WATER COMPANY, Inc.

Mailing Address P.O. Box 2999

Camp Verde AZ 86322

(City)

(State)

(Zip)

928-567-9170

Telephone No. (Include Area Code)

928-567-6351

Fax No. (Include Area Code)

928-301-5076

Cell No. (Include Area Code)

Email Address BRENDA @ commspeed.net

Local Office Mailing Address 738 S. PARKS DRIVE

Camp Verde AZ 86322

(City)

(State)

(Zip)

928-567-9170

Local Office Telephone No. (Include Area Code)

928-567-6351

Fax No. (Include Area Code)

928-301-5076

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: BRENDA McDonald

(Name)

Office Manager

(Title)

P.O. Box 3290

(Street)

Camp Verde

(City)

AZ

86322

(State)

(Zip)

928-567-9170

Telephone No. (Include Area Code)

928-567-6351

Fax No. (Include Area Code)

928-301-5076

Cell No. (Include Area Code)

Email Address BRENDA @ commspeed.net

On Site Manager: SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

Statutory Agent: DUGAN L. McDONALD

(Name)

380 W. GRIPPEN RD

(Street)

CAMP VERDE

(City)

AZ 86322

(State)

(Zip)

928-561-4256

Telephone No. (Include Area Code)

928-561-6351

Fax No. (Include Area Code)

928-561-9170

Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME Lake Verde Water Company, Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1590.00	1590.00	—
302	Franchises			
303	Land and Land Rights	10,000	—	10,000
304	Structures and Improvements			
307	Wells and Springs	5016.	2619.	2397.00
311	Pumping Equipment	19134.00	5341.	14293.00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	19032.	12024.	7008.
333	Services			
334	Meters and Meter Installations	955.00	955.00	—
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	380.00	380.00	—
341	Transportation Equipment	1925.	1925.	—
343	Tools, Shop and Garage Equipment	1894.	1894.	—
344	Laboratory Equipment			
345	Power Operated Equipment	1263.	1263.	—
346	Communication Equipment	461.	461.	—
347	Miscellaneous Equipment	312.	312.	—
348	Other Tangible Plant			
	TOTALS	168462.00	34764.00	33698.

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Lake Verde Water Co. Inc 2008

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME Lake Verde Water Co. Inc. 2008

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1395.00	\$ 281.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1874.00	1569.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$
	FIXED ASSETS		
101	Utility Plant in Service	\$ 54901.	\$ 61239.
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(28468.)	(33011.)
121	Non-Utility Property <i>Intangible Assets</i>	55090.	55090.
122	Accumulated Depreciation – Non Utility <i>Amortization</i>	(32926.)	(36093.)
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$ 51846.	\$ 49073.

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Lake Verde Water Co. Inc. 2008

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 391.	\$ 421.00
232	Notes Payable (Current Portion)	322.	632.00
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	80.	461.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 3693.	\$ 7204
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 3693.	\$ 7204.
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 90,000	\$ 90,000
211	Paid in Capital in Excess of Par Value	19,200	19200
215	Retained Earnings	(61049)	(67331)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 51846.	\$ 49073.

COMPANY NAME Lake Verde Water Co, Inc 2008

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 17352.	\$ 18931.
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 17352.	\$ 18931.
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 8004.	\$ —
610	Purchased Water		
615	Purchased Power	1699.	1740.
618	Chemicals	88.	40.
620	Repairs and Maintenance	262.	
621	Office Supplies and Expense	8.	43.
630	Outside Services		6309.
635	Water Testing	274.	2278.
641	Rents		
650	Transportation Expenses	210.	11.
657	Insurance – General Liability	1282.	676.
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	5691.	5723.
403	Depreciation Expense	6891.	7710.
408	Taxes Other Than Income		
408.11	Property Taxes	940.	686.
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 25349.	\$ 25215
	OPERATING INCOME/(LOSS)	\$ (7997.)	\$ (6284.)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ (7997.)	\$ (6284.)

COMPANY NAME Lake Verde Water Co. Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

None

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME	Lake Verde Water Co, Inc 2008
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
643828	2	22		8	15 "	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
5000	1	2000	2

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	<i>Lake Mead Water Co Inc. 2008</i>
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	<i>GALV</i>	<i>680</i>
3	<i>GALV</i>	<i>240</i>
4	<i>GALV</i>	<i>4300</i>
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
<i>5/8 X 3/4</i>	<i>68</i>
<i>3/4</i>	
<i>1</i>	
<i>1 1/2</i>	
<i>2</i>	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

None

STRUCTURES:

None

OTHER:

2 wells 2 tanks
2 sets electrical controls

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	Lake Verde Water Co. Inc. 2008
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2008

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	68	277,111	297,700	0
FEBRUARY	68	274,680	280,300	0
MARCH	68	436,300	414,000	0
APRIL	68	719,120	701,700	0
MAY	68	545,740	566,500	0
JUNE	68	669,710	631,100	0
JULY	68	710,507	723,400	0
AUGUST	68	660,900	754,800	0
SEPTEMBER	68	729,060	740,800	0
OCTOBER	68	578,390	664,800	0
NOVEMBER	68	380,580	455,500	0
DECEMBER	68	343,764	374,100	0
TOTALS →		6,325,862		

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

☒ Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: <u>Lake Verde Water Co. Inc 2008</u>
Name of System: _____ ADEQ Public Water System Number: _____

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	1	0	
FEBRUARY	0	0	
MARCH	0	0	
APRIL	0	0	
MAY	0	0	
JUNE	0	0	
JULY	0	1	
AUGUST	0	0	
SEPTEMBER	0	0	
OCTOBER	0	2	
NOVEMBER	0	0	
DECEMBER	0	0	
TOTALS →	1	3	

OTHER (description):

COMPANY NAME Lake Verde Water Co. Inc 2008 YEAR ENDING 12/31/2008

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2008 was: \$ 185.92

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

IFC 4 1000

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	YAVAPAI
NAME (OWNER OR OFFICIAL) TITLE	VANCE L. McDONALD
COMPANY NAME	Lake Verde Water

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

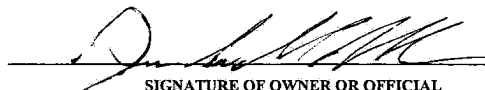
MONTH	DAY	YEAR
12	31	2008

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



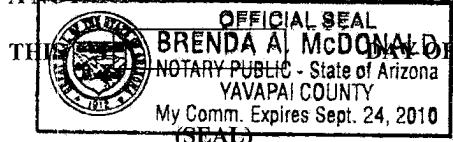
SIGNATURE OF OWNER OR OFFICIAL

928-267-7170

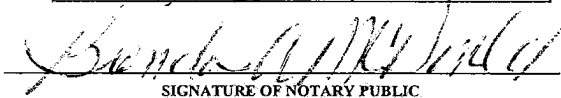
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



COUNTY NAME	YAVAPAI
MONTH	Dec.
YEAR	2009



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 9/24/2010

COMPANY NAME Lake Verde Water Co. Inc. YEAR ENDING 12/31/2008

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported _____
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

12-9-09
DATE

DUANE L. McDONALD
PRINTED NAME

member/manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

1-4-2009

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Vance L McDonald / Dugan L McDonald</u>
COMPANY NAME
<u>Lake Verde Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2008</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2008 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 18,923.37

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED)

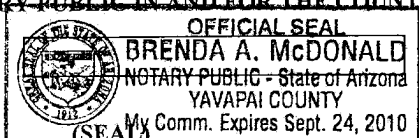
****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
928-567-9170
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	
<u>Yavapai</u>	
MONTH <u>12-9</u>	<u>2009</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Sept 24, 2010

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

DEC 14 2009

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	YAVAPAI	
NAME (OWNER OR OFFICIAL)	Vance L. McDonald / DUGAN	TITLE members
COMPANY NAME	Lake Verde Water	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2008 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 18,923.37

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1982.41
IN SALES TAXES BILLED, OR COLLECTED)

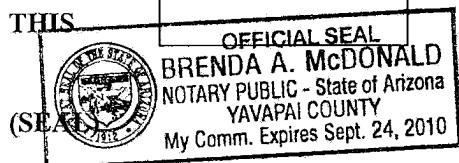
***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL
928-567-9170
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS **DAY OF**



MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	BRENDA A. McDONALD	
COUNTY NAME	YAVAPAI	
MONTH	December	.20 09

X 
SIGNATURE OF NOTARY PUBLIC